

Exhibit 1

Request for Proposals of the
Illinois Telecommunications Access Corporation

ILLINOIS TELECOMMUNICATIONS ACCESS
CORPORATION

REQUEST FOR PROPOSALS
FOR
AMPLIFIED TELEPHONES

March 29, 2004

Key Dates

Proposal deadline date	April 15, 2004
Selection of bidder or bidders.....	April 30, 2004
Execution of contract or contract.....	May 14, 2004
File petition for approval of contract with Commission.....	May 24, 2004
Distribution of equipment.....	Beginning August 2004

* These dates are tentative, depending on regulatory approvals and the needs of ITAC. Award will be subject to approval of the Illinois Commerce Commission.

I. GENERAL INFORMATION AND REQUIREMENTS

- A. **ISSUING OFFICE:** This Request for Proposals ("RFP") is issued by the Illinois Telecommunications Access Corporation ("ITAC"). ITAC is a not-for-profit corporation jointly established by the Illinois local exchange telecommunications carriers in order to administer both the Illinois telecommunications relay service ("TRS") and a state-mandated equipment distribution program. The equipment distribution program, which has both loan and voucher components, distributes telecommunications devices capable of servicing the needs of persons with hearing or speech disabilities. Funding of ITAC's programs is achieved by means of a monthly charge imposed on telephone subscriber lines. This charge is established annually by the Illinois Commerce Commission ("Commission"). ITAC receives the input of individuals with hearing and speech disabilities through an Advisory Council ("Advisory Council"), which is composed of seven representatives of persons with hearing and/or speech disabilities.

The ITAC office, located at 3001 Montvale Drive, Suite D, Springfield, Illinois 62704 (the "ITAC Office"), is the sole point of contact concerning this RFP and all communication must be done through its Executive Director, Trudy E. Snell, or successor. The ITAC Office may be reached by telephone at 217-698-4170 (Voice/TTY) and by facsimile at 217-698-0942.

- B. **PURPOSE; TERM:** This RFP is issued to obtain offers to provide amplified telephones for the voucher component of ITAC's equipment distribution program. ITAC intends to enter into a contract with the selected bidder or bidders, subject to the approval of the Commission. The intended term of the contract is one (1) year from the effective date, with the option for four (4) annual renewals at ITAC's discretion. ITAC will give thirty (30) days advanced written notice of its intent to exercise each annual renewal option.
- C. **PROPOSAL SUBMISSION:** Proposals are to be submitted to the ITAC Office. Any qualified Bidder may submit a proposal, and Bidders need not have received this RFP directly from ITAC. To ensure consideration, proposals must be received on or before the Proposal Deadline. Bidders mailing their proposals should allow sufficient mail delivery time to ensure receipt of their proposal by the time specified. Bidders shall deliver their proposal packages or send them by certified mail or facsimile to the address listed above. ITAC reserves the right to seek additional proposals, and to extend the deadline for receipt of proposals, after the Proposal Deadline.
- D. **EQUIPMENT SOUGHT:** ITAC seeks bids for all or any of the amplified telephones specified on Appendices A, B, C and D to this RFP. ITAC has budgeted for the purchase of 2,500 amplified telephones for calendar year 2004, with delivery anticipated to begin in August, 2004. However, ITAC does not guarantee or commit to purchase any minimum quantity of equipment or to spend any or all of the money it has budgeted for amplified telephones during 2004. Similarly, ITAC does not guarantee or commit to purchase each of the models for

which bids are sought. This RFP is not a purchase order. All equipment supplied under this RFP and the ensuing contract must be new and must conform to the specifications in Appendices A – D. Equipment purchased pursuant to this RFP will be supplied under ITAC's voucher program, and will become the property of the user.

- E. **DELIVERY OF EQUIPMENT:** Delivery of all items shall be made within ten (10) calendar days after receipt of a written or electronic order from ITAC or its agent. Equipment shall be drop-shipped to the user or other location within the State of Illinois at the address provided by ITAC or its agent. Confirmation of shipment shall be provided to ITAC immediately upon shipment. Confirmation of shipment shall include UPS tracking number or a copy of the common carrier "Bill of Lading"; recipient; make, model and serial number of the equipment; date of ITAC written or electronic order; and any other pertinent information.

F. **WARRANTY AND POST WARRANTY REPAIR SERVICE:**

1. **Standard Warranty.** All equipment supplied pursuant to this RFP and the ensuing contract shall be covered by the manufacturer's standard warranty (as specified in the Appendices to this RFP) at no additional charge. The warranty shall include all labor, materials, shipping and other expenses required to provide warranty service at no additional expense to ITAC or the user. The user shall not be required to submit a warranty card or other documentation in order for the warranty to be honored when items are returned for repair or replacement. The warranty shall be comprehensive and cover all parts of an item except consumables, such as batteries. The warranty shall cover all failures in materials and performance, except those caused by natural disasters and "acts of God", misuse, abuse or neglect, and unauthorized repair or tampering. Defective items under warranty shall be returned to the Bidder to obtain warranty service. Clear, concise and easily visible instructions for returns for warranty service shall be included with the original shipment of each piece of equipment. The Bidder shall perform warranty work (repair or replacement of defective equipment) and return a working unit to the user within fourteen (14) calendar days of receipt of the defective equipment. All defective equipment under warranty shall be repaired or replaced with new (not reconditioned) equipment. Equipment identified as misused, abused or neglected shall be reported to ITAC.
2. **Repairs after Expiration of Warranty.** Bidder shall offer repair service from the expiration of the standard warranty until four (4) years from the date of shipment of the equipment to the user. All such repairs shall be completed and the equipment returned to the user within fourteen (14) calendar days of receipt of the defective equipment. Bids shall include a price list for repairs after expiration of the manufacturer's standard warranty. ITAC does not seek bids for extended warranties. All repairs after expiration of the standard warranty shall be the sole responsibility of

the user and not ITAC, and Bidder shall make arrangements for payment by the user.

- G. **CUSTOMER SERVICE:** Bidder shall have a customer service facility that is accessible by toll-free telephone (voice and text telephone) during standard working hours, Monday through Friday, to answer user questions and assist the user in determining whether an item needs to be returned for repair. Clear, concise and easily visible instructions for using the customer service center shall be included with the shipment of each piece of equipment.
- H. **RETURN POLICY:** Bidder shall allow each user to return his/her equipment within forty-five (45) days from the date of shipment if the selected equipment does not meet the user's need. Refunds or credit for returned equipment shall be made to ITAC. Bidder shall provide ITAC with the user name, make, model, date of return and reason for return for each item returned. Users who return equipment must make arrangements for replacement equipment through ITAC, and Bidder shall not replace or exchange equipment directly for the user (other than as specified under Section I.F.1, Standard Warranty.)
- I. **BINDING OFFER:** Each Bidder's proposal submitted in response to this RFP will constitute a binding offer, which will be irrevocable for a period of 4 months following the tender of the proposal. Each Bidder acknowledges and agrees to this condition by signing its proposal. Each Bidder shall represent and warrant to ITAC that the signatory of its proposal is an officer of Bidder, legally authorized to execute this contractual obligation.
- J. **BID PRICES:** All prices in proposals must be firm. All prices shall include all hardware, software or other items considered standard, advertised as being included or which may be necessary for operation of the equipment, including, without limitation, cables, connectors, interface devices, accessories and similar items, and the manufacturer's standard warranty. Bidders shall not include any estimates or contingencies in their pricing proposals, but may identify optional features and the applicable additional price per unit of the optional feature. Bidders shall calculate any volume or other discounts into the per-unit price in their pricing proposal. All bid prices submitted in response to this RFP shall be considered "best and final."
- K. **BID COMPONENTS:** Each bid shall include the following items.
1. **Equipment Proposal Summary Page:** For each type of amplified telephone for which Bidder submits a bid, Bidder shall include in its bid an "Equipment Proposal Summary Sheet" in the form attached as Appendix E. The Equipment Proposal Summary Sheet shall specify the bid price for each unit, the shipping charges for drop-shipment of the unit within the State of Illinois, and any optional features offered.

2. **Pertinent Experience:** A description of Bidder's pertinent experience shall be provided, describing why the company is qualified for the contract.

3. **Financial References:** Bidder shall provide with its proposal two financial references, including a specific contact name, phone number, and address. One such reference shall be the Bidder's primary banking source.

Bidder shall also provide the foregoing information for any subcontractor that is expected to receive ten (10) percent or more of the value of the contract.

4. **Customer References:** Bidder shall provide with its proposal a minimum of three (3) customer references, including a specific contact name, phone number, and address to whom Bidder has provided the bid-for equipment or similar equipment or service. If no customer references are available or applicable, Bidder shall explain and provide alternate references. ITAC reserves the right to check references other than or in addition to the specific customer references cited in the proposal, which may include contacts with officials of other state equipment distribution programs, consumers, and organizations representing people with disabilities.

5. **Statement of Acceptance of Terms, Conditions and Requirements:** A statement acknowledging that Bidder accepts the terms, conditions, and requirements of this RFP or a statement indicating the Bidder's exceptions.

6. **Bidding Company:** If a Bidder is owned or controlled by a parent company, Bidder will provide in its proposal the name, main office address and parent company's tax identification number. If a Bidder is independently owned, Bidder will provide in its proposal the name, main office address and tax identification number of the Bidder.

7. **Subcontractors:** Bidder shall clearly explain in its proposal any planned use of subcontractors to provide service, including terms of any subcontract. Bidder shall include a copy of any proposed subcontracts with its proposal. All subcontractors must comply with the Bidder certification requirements in Section II.E. The successful Bidder will be the prime contractor and will be responsible for contract performance whether or not subcontractors are used. The successful Bidder shall act as ITAC's single point of contact for matters relating to the contract, and ITAC will not be required to communicate directly with any subcontractor.

II. ADDITIONAL TERMS, CONDITIONS AND REQUIREMENTS.

- A. **PUBLIC AND CONFIDENTIAL INFORMATION:** Records and information regarding recipients (users) of equipment supplied pursuant to this RFP are

proprietary and confidential and shall not be released to any person or used for any purposes other than shipment of equipment unless authorized in writing by ITAC.

Any bid submitted pursuant to this RFP may be submitted to the Illinois Commerce Commission. The successful bid or bids and the contract or contracts executed with the successful Bidder or Bidders shall be filed with the Commission and shall be matters of public record.

- B. CONTRACT DOCUMENT:** ITAC will require the successful Bidder or Bidders to sign a contract which will incorporate (i) this RFP and (ii) the Bidder's proposal in response to this RFP. The items described in clauses (i) and (ii), together with the additional terms and conditions agreed upon by ITAC and the successful Bidder will constitute a complete contract that ITAC and such successful Bidder will submit to the Commission for approval. It is each Bidder's responsibility to understand any differences between the requirements of the RFP and the Bidder's standard terms and conditions.

- C. CONTRACT TERMS AND CANCELLATION:** ITAC reserves the right to cancel any contract resulting from this RFP, by providing written notice to the successful Bidder.

Nothing in this RFP or the ensuing contract(s) shall preclude ITAC from contracting with others for the equipment or services described in this RFP and its appendices. The contract(s) executed by the successful Bidder or Bidders and ITAC shall govern the sale of equipment as it is ordered by ITAC. ITAC does not promise to purchase any quantity of equipment from Bidder. Any estimates of equipment provided to Bidder are not binding unless otherwise specifically stated in the contract(s) to be executed pursuant to this RFP.

- D. NON-COLLUSION:** By submitting its proposal, Bidder represents and warrants that (i) Bidder arrived at its proposed bid price independently without collusion, consultation or communication as to any other Bidder or with any competitor of Bidder; (ii) the bid price was not disclosed by Bidder and was not knowingly discussed prior to submission, directly or indirectly, with any other Bidder or with any competitor; (iii) Bidder has made and will make no attempt to induce any other person, partnership or corporation to submit or withhold a proposal for the purpose of restricting competition; and (iv) no person or selling agency has been employed or retained by Bidder to solicit or secure the proposed contract based upon an agreement or understanding for a commission, percentage brokerage or contingent fee.

- E. BIDDER CERTIFICATIONS:** Each person signing a proposal certifies that he or she is the person in the Bidder's organization responsible for, or authorized to make decisions as to, the prices quoted and that they have not participated, and will not participate in any action contrary to the non-collusion requirements in Section III.

By submitting a proposal, each Bidder agrees that it shall not discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry or physical or mental handicap unrelated in nature and extent so as reasonably to preclude the performance of such employment.

- F. **INVOICES:** The successful Bidder or Bidders shall submit invoices to ITAC monthly. Each invoice shall contain sufficient information to permit audit and verification of the invoice, which shall include, at a minimum, for each piece of equipment, the make and model, serial number, price, and date of shipment.
- G. **REPORTING REQUIREMENTS:** The successful Bidder will comply with any reporting requirements established in the contract. Such reporting requirement shall include, at a minimum, a monthly report specifying the make and model of equipment returned for repair or service (whether or not under warranty), specifying the type of problem and the age of the equipment.
- H. **LIMITED LIABILITY:** The Commission, the Advisory Council, and ITAC assume no liability in any fashion with respect to this RFP, a resulting contract, or any matter related thereto. All Bidders and their assigns or successors, by their participation in the RFP process, acknowledge and agree that they will indemnify, defend and hold harmless the Advisory Council, the Commission and its commissioners, officers, employees and agents as well as ITAC, its directors, officers, employees and agents from and against all suits, causes of action, debts, rights, judgments, claims, demands, accounts, damages, costs, losses and expenses (including without limitation attorneys' fees and expenses) of whatsoever kind in law or equity, known and unknown, foreseen and unforeseen, arising from or out of this RFP and/or any subsequent acts related thereto, including but not limited to the recommendation of a successful Bidder or Bidders, the execution of a contract, and the review, response to or defense of any action brought by an unsuccessful prospective contractor.
- Bidders shall maintain such personal injury and property damage liability insurance as necessary to protect themselves from claims arising out of the performance of this contract. The selected Bidder or Bidders shall indemnify and hold harmless the Advisory Council, the Commission and its commissioners, officers, employees and agents as well as ITAC, its directors, officers, employees and agents from any and all claims, suits, actions, liabilities and costs of any kind, including attorneys' fees, for personal injury and/or damage to real and/or personal property arising from acts or omissions of the Bidder, its agents, officers, employees or subcontractors.
- I. **VENUE:** The laws of the State of Illinois, United States of America, will govern in connection with the formation, performance, duties, obligations and the legal enforcement of the terms of this RFP and any resulting contract. Any legal action brought in connection with this RFP shall be filed in state court in Springfield, Illinois, and such courts shall have exclusive jurisdiction to resolve disputes

arising from or related to this RFP and any resulting contract that are not within the primary jurisdiction of the Commission.

- J. **DISCLAIMER**: All estimates of quantities of equipment sought contained in this RFP and its appendices, including amendments and modifications thereto, reflect the best and most accurate estimates available to ITAC at the time of preparing the RFP. No inaccuracies in such estimates will constitute a basis for change of the payments to the successful Bidder nor a basis for legal recovery of damages, either actual, consequential or punitive.

III. ADMINISTRATIVE TERMS, CONDITIONS AND REQUIREMENTS

- A. **NO ITAC OBLIGATIONS**: ITAC is under no obligation to award a contract or reimburse any Bidder or potential Bidder for any costs incurred in connection with this RFP. If ITAC awards a contract under this RFP, ITAC does not guarantee or commit to purchase any minimum quantity of equipment, or to purchase all models of equipment for which bids are sought.
- B. **REJECTION OF PROPOSALS**: ITAC reserves the right to reject any and all proposals, to negotiate with any or all Bidders, to waive any and all informalities and irregularities in proposals it receives and to accept or reject any portion of a proposal deemed in the best interests of ITAC. ITAC may, at its sole option, reject a bid proposal that contains errors; however, ITAC may at its sole option retain the bid and make certain corrections.
- C. **NEWS RELEASES**: No Bidder shall make any news releases or public announcement pertaining to this RFP or any contract award without prior written approval from ITAC's Executive Director.
- D. **SELECTION TIME; NEGOTIATION TIME**: ITAC presently intends to select a preferred Bidder or preferred Bidders approximately two weeks after the Proposal Deadline. After selection, a definitive contract must be completed and signed by all parties concerned on or before the date indicated under Key Dates. If this date is not met, ITAC may elect to extend the time for negotiation of the final contract or to withdraw its selection or selections and negotiate with one or more other Bidders.
- E. **AWARD OF CONTRACT**: The contract shall be awarded at the discretion of ITAC to the Bidder or Bidders who, in ITAC's sole opinion, will most competently and cost-effectively provide equipment that complies with the requirements of this RFP as well as state and federal statutes, guidelines and regulations and best meets the needs of Illinois residents who are hearing and speech disabled and the public at large. Any final contract award is subject to, and contingent upon, Commission approval. ITAC will prepare a petition to the Commission seeking approval of its final contract with a Bidder or Bidders. No contract shall be effective until approved by the Commission. Bidder's proposal

shall commit to cooperating with ITAC to obtain the required Commission approvals in the event that Bidder's proposal is selected by ITAC.

- F. **WAIVER**: ITAC will determine, at its own discretion, which Bidder best meets the requirements of ITAC. Each Bidder, by submitting a proposal, waives (i) any right to contest with the Commission or any other body the selection of the successful Bidder and (ii) any right to claim damages of any nature whatsoever, in each case based on the selection process, any communication associated with the selection process and/or the selection of the successful Bidder or Bidders.
- G. **AWARD WITHOUT DISCUSSION**: ITAC reserves the right to select a proposal or proposals without further discussion of proposals received. Therefore, it is important that each Bidder submit its proposal in the most complete and accurate manner possible.

Appendix A: Specifications for TeleTalker Model Tel 040 Amplified Telephone

Manufacturer: Williams Sound Corp.
10399 West 70th St., Eden Prairie, MN 55344-3459
www.williamssound.com

SPECIFICATIONS:

TeleTalker Amplified Telephone, Model TEL 040

Dimensions:	2.2"D, 8.9"H, 7.6" W (56 mm D, 226mm H, 192mmW)
Color:	White with dark gray controls
Wide-band Gain:	25 dB maximum
High Frequency Gain:	30 dB maximum
Audio Freq. Response:	300 Hz to 2800 Hz, ± 3 dB
Max. HF Acoustic Gain:	55 dB
Sat. Acoustic Output:	130 dB SSPL
Total Harm. Distortion:	< 3% at 120 dB SPL Output, 1000 Hz, Enhance control at min
Signal to Noise Ratio:	51 dB, NAB Weighted
Signal Processing:	Dynamic Signal Processing
Noise Reduction:	Dynamic Noise Reduction (DNR®)*
Ringer Volume Control:	Hi, Lo, Off
Ringer Loudness:	90-95 dBA SPL at 1 meter (Hi position)
Ringer Pitch Control:	Adjustable, 3 positions (lo, med, hi)
Flasher:	Jumbo LED, high visibility, red
Neckloop/Aux. Jack:	3.5 mm mono jack, 2.7 Ω impedance, 150 mW max. output
Connections:	2-wire central office connection, modular plug
Ringer Equiv.Number(REN)	1.0B
Power:	Includes 12 VAC power supply
Warranty:	Five Years, Parts and Labor **

* Trademark of National Semiconductor Corp.

** 90 days on cords and power supply

Appendix B: Specifications for XL-50 Amplified Telephone

Manufacturer: Clarity
(Formerly known as Walker-Ameriphone)
12082 Western Avenue
Garden Grove, CA 92841
www.clarity.com

SPECIFICATIONS:

XL-50 Amplified Telephone

Maximum gain: High frequency (3kHz): 48dB Wide band (300 to 3000Hz): 36dB
Tone control range: Full range: 300 to 3000Hz using one slide control
Dimensions: Size: 9 ½" x 7" x 3 ¼", Weight: 2.52 lbs.
Power Requirements: AC Adapter: 9VDC, 300 mA,
Batteries: 4 AA alkaline batteries (not included)
Warranty: One year from date of purchase against any defects in materials or workmanship.

Appendix C: Specifications for XL-40 Amplified Telephone

Manufacturer: Clarity
(Formerly known as Walker-Ameriphone)
12082 Western Avenue
Garden Grove, CA 92841
www.clarity.com

SPECIFICATIONS:

XL-40 Amplified Telephone

Maximum gain: High frequency (3kHz): 40 dB, Wide band (300 to 3000Hz): 30dB
Tone control range: Full range: 300 to 3000Hz using one slide control.
Dimensions: Size: 9 1/2" x 7" x 3 1/4", Weight: 2.52 lbs.
Power Requirements: AC Adapter: 9VDC, 300 mA
Batteries: 4 AA alkaline batteries (not included)
Warranty: One year from date of purchase against any defects in materials or workmanship.

Appendix D: Specifications for ClearSounds 40XLC Amplified Freedom Phone

Manufacturer: ClearSounds Communications, Inc.
8160 S. Madison Ave.
Burr Ridge, IL 60527

SPECIFICATIONS:

Maximum Gain: Wide band (300 to 3400Hz) : 42 dB
Low frequency (bass 300 Hz) : 52 dB
High frequency (Treble 3400Hz) : 52 dB

Dimensions: 10.5" (with Caller Id screen flat) x 8" x 2"
Weight: 4.33 lbs.

Power Requirements: AC Power Adapter: Input: 120 VAC, 60 Hz, 26W.
Output: 12V DC, 1000 mA
Batteries: (4) AAA alkaline batteries (not included)

Warranty 2-years

Illinois Telecommunications Access Corporation

EQUIPMENT PROPOSAL SUMMARY SHEET

EQUIPMENT TYPE: Amplified Telephone

MODEL NAME AND NUMBER : _____

UNIT PRICE : _____

SHIPPING CHARGES: _____

DEVIATIONS FROM RFP EQUIPMENT SPECIFICATIONS (attach additional page if necessary)

- 1) _____
- 2) _____
- 3) _____

OPTIONAL FEATURES NOT INCLUDED ON EQUIPMENT SPECIFICATIONS

<u>FEATURE</u>	<u>ADDITIONAL PRICE PER UNIT</u> (If applicable)
1) _____	_____
2) _____	_____
3) _____	_____
4) _____	_____
5) _____	_____

ATTACH PRICE LIST FOR REPAIRS AFTER EXPIRATION OF STANDARD WARRANTY